

## Local transit funding critical to keep people, economy moving

Faced with massive unfunded needs for transit service, roadways and bridges, King County and its cities have jointly asked the legislature to authorize new local funding tools. The proposed funding package would enable Metro Transit to avoid deep cuts and maintain service that is vitally important for bus riders, the economy and the environment.

### Preservation of Metro service will ease congestion, get people to jobs

Metro service supports our economy by freeing up roadway capacity for the delivery of goods and services. Seattle-King County ranks eighth out of 439 urban areas in the U.S. for hours of congestion delay saved by public transportation, worth more than \$300 million per year in time and fuel savings. This is especially important as the region's major construction projects constrict key travel corridors—and Metro has proven that it can attract riders and ease congestion:

- Metro service additions to mitigate Alaskan Way Viaduct construction brought nearly 17,000 new daily riders (a 22 percent increase) and contributed to a 23 percent decline in vehicles on the viaduct.
- Additional Metro and Sound Transit service on the SR 520 corridor provided options for those unable to pay the toll and brought 3,800 new riders (a 25 percent increase). It's one reason why traffic is now about 33 percent less than before tolling began.

Metro is vital for commuters. More than half the people who ride Metro buses are going to their job or school. More than 40 percent of all workers in downtown Seattle, and 20 percent in downtown Bellevue, take transit to work. About 1,500 businesses and schools purchase bus passes for their employees.

### \$85 million per year would enable Metro to:

#### ■ Continue supporting economic growth by preserving the current overall level of service (\$75 M)

Metro had its second highest ridership ever in 2012—more than 115 million passenger trips, or about 380,000 trips every weekday. The improving economy is expected to bring more growth. But without new funding to preserve current service, a projected revenue shortfall could require a service cut of about 17 percent (see back).

*A 17 percent cut would mean nearly 13 million passenger trips a year would be lost, even with the most carefully targeted reductions of service. As a result, our roads would carry 8.5 million more vehicle trips per year—roughly 23,000 trips every day on our most crowded roads at the busiest times.*

#### ■ Make modest investments in new service where it's needed most (\$10 M)

Although the proposed funding tools would not enable Metro to fully meet the needs of underserved transit corridors or our growing population, it would provide for some modest service additions to:

- Address overloaded routes and keep buses on schedule
- Get people to job and activity centers across the county
- Serve people who depend on transit.

### What is proposed?

#### • 1.5% local option vehicle renewal fee based on vehicle value

King County would be authorized to impose this fee through a council vote or a vote of the people. The fee would not apply to new vehicles or to commercial vehicles and trailers. On average, car owners would pay \$50 to \$80 per year more for each vehicle owned.\*

**Sixty percent of the revenue, approximately \$85 million, would go to Metro.**

#### • 8¢ increase in state gas tax - 35 percent distributed to cities and counties

#### • Increase in the vehicle fee that Transportation Benefit Districts can approve, from \$20 to \$40

\*Based on DOL average used passenger car value in King County of \$6,756, net impact after eliminating the \$20 congestion reduction charge, federal tax deduction, and new car purchase every fifth year.

## Why is new funding needed for transit service?

Metro depends on sales tax for more than 60 percent of its operating funds, and revenue from this source has fallen far short of needs since the Great Recession.

Confronted with a shortfall of close to \$1.2 billion for 2008 through 2015, Metro has taken many actions, including:

- cutting costs deeply
- raising fares four times
- tapping reserve funds
- revamping the transit system to become more productive and efficient.

With strong public support, the County Council approved a congestion reduction charge (CRC) to provide supplemental funding for two years.

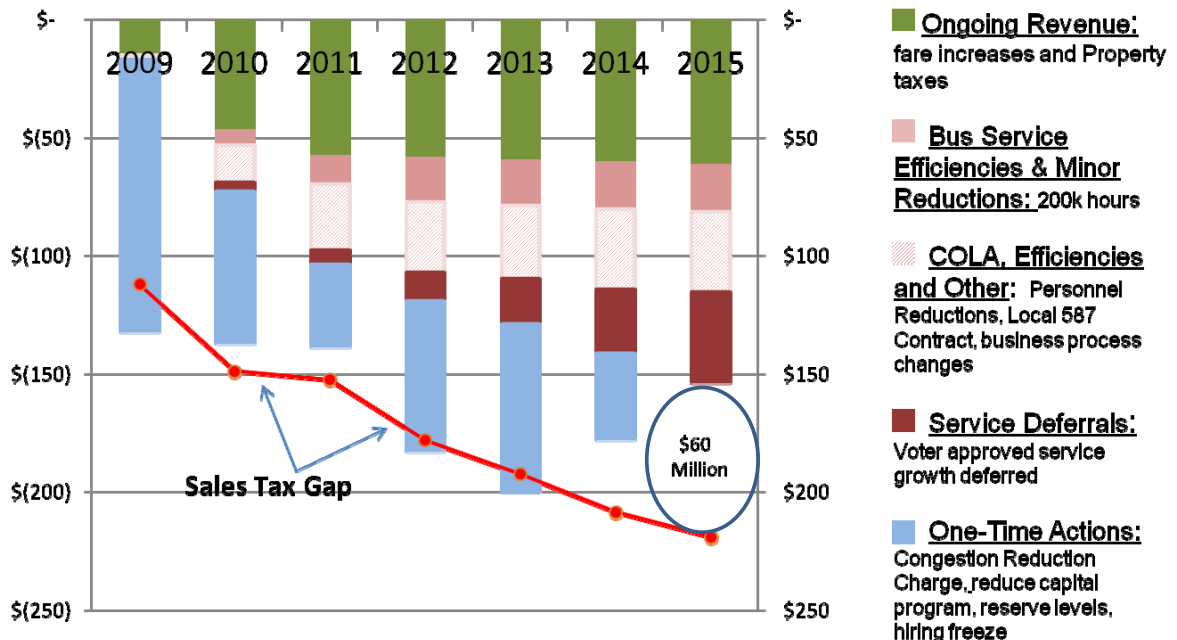
These actions have substantially narrowed Metro's budget gap and preserved most service. But some

one-time measures—such as the use of reserve funds—will be exhausted after 2013, and funding from the CRC expires in mid-2014. Metro faces an ongoing annual revenue shortfall of \$60 million for operations plus \$15 million for buses—a **total of \$75 million annually to preserve service**. Another \$10 million will enable Metro to make modest service increases to address growing demand.

***Without a new source of funding, Metro will be forced to cut service by about 17 percent beginning in fall 2014. That would be more than the amount of service Metro adds for commuters during weekday peak periods, or about equal to all the bus service Metro provides in east King County north of Renton or to all the local service provided to the University of Washington.***

### Closing the transit budget gap

(\$ in millions)



In addition to closing the gap for annual bus service, funds are needed to purchase buses to operate the service. Assuming debt financing, this cost is estimated at \$15 million per year for 12 years.

[www.kingcounty.gov/TransportationFuture](http://www.kingcounty.gov/TransportationFuture)